

ANDREW C. RAMBO, P.C.  
- Attorney At Law -  
104 DEPOT ST. • P.O. BOX 129  
SHELBYVILLE, TENNESSEE 37162

TELEPHONE 931-684-6213

FACSIMILE 931-684-6227

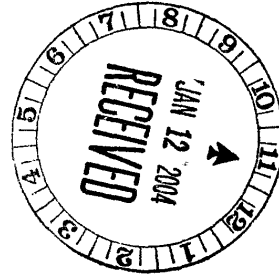
Andrew C. Rambo  
Megan A. Kingree

E-mail: rambo\_a@bellsouth.net

December 30, 2003

VERNON WILLIAMS  
SURFACE TRANSPORTATION BOARD  
OFFICE OF THE SECRETARY  
1925 K STREET NW ROOM 700  
WASHINGTON DC 20423

209837



Re: Pine Belt Southern Railroad Company, Inc.  
Abandonment Roanoke Junction to Lafayette  
Docket No. AB601 Sub1X

ENTERED  
Office of Proceedings

JAN 12 2004

Dear Mr. Williams:

Part of  
Public Record

Enclosed herewith please find our response to Cayuga Railway's request for information.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Andrew C. Rambo".

Andrew C. Rambo

ACR/ib  
Enc.

P.O. Box 1317  
Shelbyville, Tenn. 37162

PINE BELT SOUTHERN  
RAILROAD



December 30, 2003

MR ERIC LEE  
CAYUGA RAILWAY COMPANY LLC  
415 WOODLAND ROAD  
SYRACUSE NY 13219

Re: Pine Belt Southern Railroad Company, Inc.  
Abandonment of Roanoke Junction to Lafayette

Dear Mr. Lee:

In response to your request, the attached information is provided.

Sincerely yours,

  
G. Richard Abernathy  
President

PINE BELT SOUTHERN RAILROAD COMPANY, INC.

ABANDONMENT ROANOKE JUNCTION  
TO LAFAYETTE

DOCKET NO. AB601  
Sub 1X

Revenue

No income has been derived from the line during the last two years. East Alabama Lumber filed for bankruptcy and was sold in 2001 to another company which was truck-oriented and has never considered the use of rail. Langley Wood Yard discontinued shipping pulp wood by rail, as the paper mills switched to tree-length wood, which is trucked.

Minimum Purchase Price      \$500,000.00

Net Liquidation Value of Line

Real Estate Appraisal	\$275,900.00
Track Materials	\$230,000.00

Physical Condition of Line

There are no federal or state inspection reports on bridges or rail available. The estimate of cost of rehabilitating the line to FRA Class 1 Safety Standards is as follows:

Relay approximately 4 miles of rail (70-80 lb. rail),	
Rock ballast, ½ ton per foot @\$8.50/ton,	\$ 89,760.00
Labor (\$20.00/ft.)	\$ 422,400.00
 Rail	 \$ 260,000.00
 Surface Track (\$1.50/ft.)	 \$ 32,000.00
 Replace ties on 17.4 miles (40%, 1,200 ties per mile) @ \$50.00 each	 \$ 1,044,000.00
 Repair bridges (pilings, stringers, caps, etc.)	 \$ 200,000.00

Trackage Rights

Joint Trackage and Interchange Agreement with CSXT  
and Norfolk Southern

com/r abandon.pinebelt

## Green Appraisal Company

Telephone 334-566-3142  
P.O. Box 241  
Troy, Alabama 36081

115 W Church Street  
FAX 334-566-3142

December 21, 2000

Mr. Dick Abernathy  
Pine Belt Southern Railroad, Inc.  
P. O. Box 1317  
Shelbyville, Tennessee 37160

Re: Consulting  
Estimating Acreage Values for Pine Belt Southern Railroad, Inc.  
From Opelika to Lafayette  
Lee and Chambers Counties, Alabama

Dear Mr. Abernathy:

As per your request, we hereby submit estimates of value for land only for the Pine Belt Southern Railroad, Inc. Property. These values are estimated on good and merchantable title to the property.

The right of way is 100 feet wide from the start in Opelika at the CSX mainline railroad and the International Paper Co. sawmill property to the NW  $\frac{1}{4}$  of the SE  $\frac{1}{4}$ , Section 6, Township 20, Range 27, near Chambers Co. Road #290. Thence the right of way is 80 feet wide to the NE  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ , Section 31, Township 21, Range 27, about one mile. Thence the right of way is 100 wide to downtown Lafayette. The remainder of the right of way through downtown Lafayette is 50 feet wide. See railroad line drawings.

The right of way is in Lee County for approximately 3.5 miles and in Chambers County for approximately 12 miles or a total distance of about 15.5 miles.

The railroad is located in North Central Lee County and South Central to Middle Chambers County. The right of way is in the Opelika City Limits for about 1 mile. The railroad is in the Lafayette City Limits for about 2 miles.

Opelika is the county seat for Lee County. Lafayette is the county seat for Chambers County. Please see included community data for Lee County, Chambers County, Opelika and Lafayette.

-continued-

Dates of inspection of the right of way are December 12, 13, 14, and 20, 2000.

The railroad right of way starts in Opelika at the intersection with the CSX railroad at the large International Paper Saw Mill and a small wood yard property. It runs generally northward along U. S. Highway 431 to just north of County Dirt Road 174. This area has scattered mostly older medium priced residences and a few small commercials. Slightly rolling topography.

The right of way then runs generally parallel to County 174 to Chambers County. This area has small acreage home sites on the east side of the railroad and wood land and pasture on the west side of the railroad. Slightly rolling to rolling topography.

In Chambers County the right of way runs generally northward, parallel to County Dirt Road 173 and County Black Top 105 to Chambers Academy in Lafayette. This area is very sparsely populated and is primarily wood land with rolling to hilly topography.

From Chambers Academy to U. S. Highway 431 is industrial including large AL/GA Wood Preserving, the Lafayette Industrial Park which includes Russell Manufacturing, Kurdoes Rubber Company and a vacant shell building.

From U. S. Highway 431 intersection to the end of the tracks at 2<sup>nd</sup> Avenue NW in Lafayette is primarily aged residential except at Alabama Avenue is city property and at the small Langley Wood Yard.

Zoning in Opelika is industrial at the start, thence R-1 residential to the Opelika City Limits. Zoning in Lafayette is M-2, heavy industrial and R-3.

There is no value given for plottage value, which is value for having all of this right of way under one ownership. This value would probably be best estimated by the income approach for the entire improved property.

These estimates of land value are limited to nearby undeveloped acreage values in the Opelika to Lafayette area.

From the south end of the rail road in Opelika industrial area to the Lee County line Sales 2 through 6 are applicable. Sales 3 and 4 are small acreage home sites with sale prices of \$ 3,280 to \$ 5,417. Sales 2, 5 and 6 are acreage sales ranging from \$ 1,538 to \$ 2,774 per acre. Sale 5 is adjacent to the subject property. Due to the narrow width of the right of way, best judgment is to use the indicated value from the larger acreage sales. Sale 6 has a superior location. Best judgment is that the range of value is from \$ 1,500 to \$ 2,000 per acre.

From the Lee/Chambers County Line to the Chambers Academy in Lafayette, Sales 1, 7, 8, 9 and 10 are applicable. This area is generally sparsely populated, primarily wood land. The wood land sales indicate a range of \$ 800 to \$ 1,000 per acre base land value, with Sale 10's location being superior and Sale 9 having superior open land.

From Chambers Academy in Lafayette to the end of the right of way, Sales 11, 12, 13, 14, 15, 16 and 17 are applicable. Sales 11 and 12 are 1-2 acre home sites with sale prices of \$ 7,000 and \$ 7,500 per acre. Sales 13 - 15 are commercial 10 - 20 acre sales with a range from \$ 5,325 to \$ 7,000 per acre. Sales 16 and 17 are 50 - 80 acre sales with sale prices of \$ 1,610 and \$ 1,515 per acre. In consideration of the stated width of the subject property acreage values are considered applicable, in the indicated range from \$ 1,500 to \$ 1,600 per acre in Lafayette.

Please find included topography maps, and comparable sales location maps.

No recorded deed for the Pine Belt Southern Railroad was found in Lee nor Chambers County, Alabama.

Description of the property is based on the furnished drawings and personal inspection of the railroad right of way on the noted dates.

Sincerely,



B. M. Green  
AL CG00005



Mark Green T00895

# State of Alabama



This is to certify that

**B. M Green**

having given satisfactory evidence of the necessary  
qualifications required by the laws of the State of Alabama  
is licensed to transact business in Alabama as a

**Certified General Real Property Appraiser**

With all rights, privileges and obligations  
appurtenant thereto.

62

LICENSE NUMBER: G00005

EXPIRATION DATE: 09/30/2001

*John Hallam Jr.*

Executive Director  
ALABAMA REAL ESTATE APPRAISERS BOARD

# State of Alabama



This is to certify that

**John Mark Green**

having given satisfactory evidence of the necessary  
qualifications required by the laws of the State of Alabama  
is licensed to transact business in Alabama as a

**Trainee Real Property Appraiser**

With all rights, privileges and obligations  
appurtenant thereto.

63

LICENSE NUMBER: T00895

EXPIRATION DATE: 09/30/2001

*John Halladay*

Executive Director  
ALABAMA REAL ESTATE APPRAISERS BOARD





## A & K Railroad Materials, Inc.

December 23, 2003

Dick Abernathy  
President  
Pine Belt Southern Railroad Company  
559 Mink Slide Road  
Shelbyville, TN 37160

RE: Rail Line between Opelika to Lafayette, AL

Dear Dick:

I have enclosed a proposed agreement between our two companies for the sale of the above-named railroad line. Although it is essentially the same agreement we discussed last summer, I have made the following additions to address your concerns:

- We have agreed to pay the requested amount of \$230,000. This price is fixed, if the closing should occur before March 1, 2004. Inasmuch as the current prices for scrap and reroll railroad track materials are at historic highs, there is a procedure to adjust the purchase price if the Closing should be delayed.
- Since there may be an OFA or Feeder Line Application filed against the line, there is a provision to terminate this agreement, if the line should be acquired in this manner. This should allow you to execute the agreement and help us to gear up to remove the materials.
- I have enclosed our down payment in the sum of \$5,000.00
- I have executed two copies of the agreement, in the event that it is acceptable to you. If so, will you please sign and return one of the copies?

I hope you have a wonderful Christmas with your family. I will look forward to hearing from you in the near future.

Best Regards,

Michael J. Van Wagenen  
Vice President and General Counsel



**Marietta B. Serwe**  
General Manager-  
Inter-carrier Agreements

500 Water Street, J801  
Jacksonville, FL 32202  
(904) 359-3565  
FAX 359-7665

October 13, 2003

File: PBRR 200  
PBRR 201

Mr. G. Richard Abernathy  
President  
Pine Belt Southern Railroad  
Company, Inc.  
Post Office Box 1317  
Shelbyville, TN 37160

Mr. Mark M. Owens  
Director-Joint Facilities  
Norfolk Southern Corporation  
185 Spring Street, SW, Box 158  
Atlanta, GA 30303

RE: Termination of Agreements among PBRR, CGA and CSXT

Gentlemen:

It is my understanding that the Pine Belt Southern Railroad (PBRR) will be abandoning its rail line between Roanoke Jct. and Lafayette, AL.

Inasmuch as PBRR will no longer interchange with CSX Transportation (CSXT), parent of The Western Railway of Alabama (WRA), or Central of Georgia Railroad Company (CGA), at Opelika, please consider this as 30-days notice of termination in accordance with Article 22 of the January 5, 1996 Interchange Agreement among PBRR, WRA, and CGA, effective simultaneously with the Surface Transportation Board's approval or exemption of PBRR's aforementioned abandonment.

Inasmuch as PBRR will no longer operate over CSXT trackage rights between Roanoke Jct. and Opelika, CSXT and PBRR are agreeable to waiving the one-year notice for termination in Section 6B of the January 5, 1996 Trackage Rights Agreement between PBRR and WRA and will consider same terminated effective simultaneously with the Surface Transportation Board's approval or exemption of PBRR's application for discontinuance of trackage rights. Mr. Abernathy will notify this office when the STB has approved or exempted the aforementioned abandonment and discontinuance.

Please indicate your acceptance of this Letter Agreement by signing in the space provided below, and return one original counterpart to my office, retaining one original counterpart for your records.

On behalf of CSX Transportation, Inc.

Marietta Serwe  
General Manager-Inter-carrier Agreements